

August 29, 2005 – Hurricane Katrina, the day Mississippi changed forever.

Hurricane Katrina, the worst natural disaster in American history, struck the Gulf Coast and South Mississippi a grievous blow on August 29, 2005. Our state bore the brunt of a hurricane more devastating than Camille in 1969, and the miles upon miles of utter destruction were unimaginable, except to those who witnessed it with their own eyes, on the ground.

In her wake, Katrina left literally tens of thousands of uninhabitable, often obliterated homes; thousands of small businesses in shambles; dozens of schools and public buildings ruined and unusable; highways and ports and railroads; water and sewer systems, all destroyed.

Mississippi's growing entertainment industry, including the dozen casino resort properties on the Gulf Coast, faced an uncertain future. All of the promise of world-class entertainment, great restaurants, top-notch golf courses – effectively a large share of Mississippi's tourism business – was threatened.

Whole communities, such as Waveland, were essentially wiped off the Coast by a storm surge in excess of 35 feet ... not only from the Gulf, but from the bay side as well. You see, the Gulf Coast fronts the Gulf of Mexico but is backed by Biloxi Bay and the Bay of St. Louis, with hundreds of miles of meandering waterways in between.

Katrina's winds and waves slammed areas 75 miles from the eye of the storm, where the storm surge was 15-20 feet high.

And then, this hurricane extended its wrath more than 150 miles inland. So, Katrina was not just a calamity on the Coast, it was a major disaster for Mississippi, and America.

Governor Barbour uses imagery like “for miles along the coastline, it was as if the hand of God simply wiped away” everything.

Hurricane Katrina was an “equal opportunity destroyer” ... destroying whole neighborhoods, houses, businesses, churches, schools, governmental offices, and infrastructure such as roads, bridges and water and sewer treatment facilities.

Katrina did not discriminate. It leveled rich neighborhoods and poor neighborhoods. It knocked down the mighty as hard as it clobbered the lowly. Black or white, Vietnamese or Hispanics ... Katrina leveled them all.

Amid the debris and incredible destruction Mississippians found their own hearts and souls – we aren't into whining or moping. Victims of Katrina hitched up their britches and went to work to begin a long recovery.

The federal government has been a good partner, and Mississippi ultimately will receive more than \$24 billion for a multi-faceted recovery program. But, just as importantly,

private nonprofits – some of them religious-based – came to our aid, and local and state agencies and officials are cooperating in recovery efforts.

At Governor Barbour's request – and as a key element in economic recovery – the Legislature voted to allow casinos to locate up to 800 feet on shore (this was a drastic change, because from the time gambling was legalized, actual gaming operations could only be located over water, and most of them were built on huge barges).

Moving on-shore has been credited with helping the casino/resort business recover much more quickly than it would have. Getting the big economic engine of the tourism industry back on line was absolutely essential, because the Gulf Coast's tax base had been wiped out – businesses were unable to operate, meaning lost jobs and lost tax revenues.

The first casino opened in Mississippi 13 years before Katrina, and the weather rarely, if ever, affected operations. But, Katrina showed that barges sitting in water that is subject to such devastating force wind and wave action were not the best idea for the long term. Katrina's tidal surge pushed some of these huge structures out of the Gulf and across the Beach highway, where they crushed other buildings and vehicles.

But, Mississippi was determined to get the casinos reopen, and we did. We are in the tourism business for the long term, and we know the entertainment niche is critical.

Allowing casinos to come off the water and on shore was controversial, but the Governor adopted the proposal of the Harrison County Board of Supervisors to allow casinos to be located on the shore. At first, the definition of "on shore" was 1500 of the water's edge, but that changed during legislative consideration to 800 feet. Still a big improvement.

Frankly, when we're talking about the distance from the water in terms of hundreds of feet, a couple of hundred this way or that is irrelevant. In a state like ours, 400 miles from end to end, a few hundred feet is neither significant nor material.

Adhering to the spirit of the original legislation that allowed casino development, we did require that any casino located on shore must not only be within a few hundred feet of the water but also tied to the water. That is, no casino could be located on shore unless it also had facilities at the water's edge – a hotel or similar facilities.

So why do this; this few hundred feet move?

First, after seeing the catastrophic destruction of the casinos and the destruction wrought when they crashed into buildings and vehicles, we knew we could not return the casinos to the way they were. It would be irresponsible.

Someone suggested putting them up on stilts, but still over the water. That might have been better than it was, but it would greatly limit rebuilding and expansion.

We decided that if we want to see much better quality development by the casino companies, if we want world-class resorts that will be about much more than just gaming, if we want to rebuild the Coast bigger and better than ever ... we would have failed if we did not allow the casinos to come on shore, even if only a few hundred feet, for a measure of safety.

Making the casinos sit over the water on stilts would not stimulate the investment we wanted. A small adjustment of a few hundred feet, but consistent with the original law of being tied to the water, was the best chance, not only for getting the thousands of employees back to work sooner, but to have even more employees later and make our Coast a world-class destination resort.

After Katrina, every public school on the Mississippi Gulf Coast was reopen, except one, before any public schools reopened in New Orleans. Our one was not ready to reopen because delivery of the temporary metal buildings to house it was delayed.

When the casinos reopened and jobs began to return, so did families, meaning that schools were in session, other businesses were cleaning up and opening their doors, too. Governor Barbour's Commission on Recovery, Rebuilding and Renewal – with an emphasis on local input – developed a plan for the Gulf Coast to come back bigger and better than ever. Commerce began in a trickle and then picked up steam as local governments found their footing.

Now, three years later, more than 95 percent of the people who lived on the Gulf Coast on August 28, 2005, are still there. Programs have helped them rebuild, elevate their homes and businesses, and get on with their lives.

You know, the French settled the Gulf Coast in 1699 – I suppose you could say the first ones came as “tourists,” maybe “visitors” but certainly “explorers.” Over the next three centuries a lot of infrastructure has been built and rebuilt and rebuilt. Katrina destroyed much of it, but it is being rebuilt again.

But Governor Barbour and the State of Mississippi are convinced that even with all of the help from the federal government, the real key to rebuilding the affected areas of South Mississippi and the Coast will be the private sector. Entrepreneurs, small businesses and large employers in the private sector will be the crucial re-builders.

Many saw the vote on shore-based gaming as the first defining vote of where Mississippi is headed. The question was, Will it be business as usual, the same old same old ... or are we going to lift our horizons and take advantage of this opportunity to have something better?

Governor Barbour is a seventh generation Mississippian, so his family has seen us survive disasters before.

The worst disaster, man made not natural, was the Civil War. We were devastated, and back then there was no one to help us. It took till after World War II to get back to recover.

After the great flood of 1927, the federal government tried to help us. The Hoover Commission's work got lost in the Depression, and we stayed on the bottom.

After Camille in 1969, another opportunity was lost. Nothing changed. After two months they were building service stations on the beach, and a good argument can be made that the Gulf Coast just languished from 1969 until the first casino opened in 1992. That's two decades of, well, not much.

Now, there is great determination to reach our full potential.

The Governor said in a speech after Katrina:

“In 30 years, when I'm dead and gone, people will look at what the Coast and South Mississippi have become. If it is simply a newer version of today, we will have failed those people...our children and grandchildren. If on the other hand, it has become what it can be ... bigger and better than ever ... world-class and looked up to by the nation as an example of what can be, then those people in 30 years will say, ‘These folks after Katrina. They got it right, and we're grateful to them.’”